

in place, either Party can terminate the Agreement on six-months' notice.

Articles 1902 and 1903 make it more difficult (at least politically) to develop capricious national AD/CV legislation. Article 1903 defines the procedure for getting a declaratory opinion from a panel about a piece of legislation. Article 1904 establishes a bi-national alternative to domestic appellate procedures, for reviewing final AD/CV determinations.

If these procedures are effective, as compared to the existing GATT alternative for settling AD/CV disputes, the direct effects could follow from changes to exports, or from increased investment, given a view that AD/CV legislation and applications are depoliticized.

In Chapter Twenty's Other Provisions, it is stipulated that the 1980 tax convention between the parties, and Article XII of GATT, on Declaration of Trade Measures for Balance-of-Payments Purposes take precedence over the FTA.

Cultural industries are exempt from the FTA except for articles:

- o 401 - tariff elimination,
- o 1607 - fair market value when there is divestiture,
- o 2006 - retransmission of an over-the-air program, and
- o 2007 - Canadian repeal of discriminatory tax legislation related to advertising.

However, a Party may take measures of an equivalent commercial effect in response to actions that would have been inconsistent with the FTA if this general exemption were not in place.

Retransmission of an over-the-air transmission will honor the copyright laws of the original producer. Canada agrees to alter its legislation by January 1, 1990. Canada will repeal elements of the Income Tax Act which disallow the business deductions for advertising in U.S. newspapers and periodicals.

Article 2008 covers procedures for CMHC decisions about C-D grade plywood. The following article leaves the Memorandum of Understanding of December 30, 1986 on softwood lumber in place.

A provision permitting either Party to maintain or create a monopoly, or state enterprise, is included, subject to restrictions about market discrimination and predatory practices.

Chapter Twenty-One on Final Provisions contains housekeeping articles and a general exit provision in the form of Article 2106, which states the Agreement shall remain in force unless terminated by either Party upon six-months' notice to the other Party.